



BY APPOINTMENT TO
HIS MAJESTY THE KING
SUPPLIERS OF
ARTISAN BAKERY GOODS
THE BREAD FACTORY
LONDON

Sustainability & Social Responsibility Report

2024

A summary of our actions, investments and efforts
to protect the environments of the people and
communities we serve – both now and in the future.

Contents

- 3- A note from Tom
- 8- 2024 Impact in Numbers
- 10- Sourcing
- 11- Energy
- 12- Transport
- 13- Waste
- 15- Our people
- 16- Our communities
- 18- Looking ahead



Sustainability & Social Responsibility Summary of Initiatives



*“We’re shaping the food system of the future —
beginning with a mindful supply chain that serves our
customers and communities.*

*We’re making real progress—and we’re moving forward
with clarity and purpose. This report shares a snapshot of
our journey as we keep pushing to improve a food system
that works better for people and the planet.”*

SOURCE WELL

WE COMMIT TO SUPPORTING
GOOD FARMING PRACTICES AND
CRAFT PRODUCERS WHO ARE
MAKING A POSITIVE IMPACT.

MAKE THOUGHTFULLY

WE COMMIT TO BECOMING
A CARBON NEUTRAL, ZERO
WASTE BUSINESS THROUGH
IMPROVEMENT OF OUR
OPERATIONAL PRACTICES.

SHARE WIDELY

WE COMMIT TO IMPROVING PUBLIC
AND SOCIAL HEALTH BY SHARING
FOOD KNOWLEDGE AND MAKING
QUALITY FOOD MORE WIDELY
ACCESSIBLE.



We are craft bakers. The ethos of a craft baker is simple – source high-quality ingredients from people you trust, apply your experience, skill and knowledge with the utmost care and gift your well-made loaf to people in your community. When you wake up the next day, you do this again with the same attention and dedication. There is no room for anything but thinking sustainably. You have selected your tools, your ingredients, from someone you know has a similar level of dedication and you understand the effort they have put into making it. You show this respect and care.

You do not make 11 because you need 10. You operate in ways that are not wasteful because you need to keep it simple to deal with nature's complexity. You take time to do it right with the minimum amount of distractions. Making a loaf like we do requires the flour bag, salt, water, a few bowls of different sizes, lots of hands, and an oven – we can make something world-class in a pretty small place measured by meters. Baking sustains and is sustainable if done right.

Our bakeries and all of us who make a loaf or a pastry are guardians of an ethos, the ethos of a craft baker, that frames the way we think about the world around us. We choose to make an impact with the smallest footprint. As we work and contribute our talents to serving our communities we are mindful of where we come from and what that means for how we act. Sustainability is just who we are.

Tom Molnar, Co-Founder and CEO

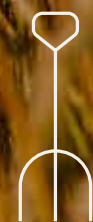
Our carbon intensity has dropped 31% since 2022 with a commitment to achieve net zero by 2040

*The carbon intensity measured is based on the aggregate measurements of the entire group, encompassing all relevant operations and not limited solely to The Bread Factory



REDUCING WASTE THROUGH REDUCE, REUSE AND RECYCLING

By limiting waste, turning waste into next day's bread or baked goods, and recycling as much as possible.



SUPPORTING GOOD FARMING PRACTICES & PROMOTING GOOD SOIL HEALTH

Investing in regeneratively grown wheat, always buying sustainably sourced ingredients, and higher welfare meat and fish.



REDUCING EMISSIONS ACROSS OUR DISTRIBUTION

Optimising transportation and logistics to minimise fuel consumption, whilst investing in our electric van fleet.



ADOPTING GREEN ENERGY SOURCES

Buying 100% green energy since 2014 and installing solar panels within our bakery estate.



SUPPORTING INNOVATIVE SUPPLIERS FOR BETTER FOR AND LESS IMPACT

Partnering with craft producers who care about their craft and their role in the UK food system.

Social responsibility lives in every aspect of our business, with programmes that care for our People, Customers & Communities



PROVIDING A SAFE AND INCLUSIVE WORK ENVIRONMENT

Creating an environment where everyone can be themselves and where safety is our number one priority.



SUPPORTING THE LEARNING AND DEVELOPMENT OF OUR TEAMS

Through world class craft training and apprenticeships.



IMPROVING THE NUTRITIONAL VALUE OF OUR PRODUCTS

Increasing diversity of grains and higher fibre.



FOSTERING EMPLOYEE WELL-BEING AND DIVERSITY

Looking after our people at work through programmes such as mental health awareness training, whilst fostering diversity through focussed employee forums.



PROVIDING DONATIONS TO LOCAL CHARITIES OR COMMUNITY PROJECTS

Distributing surplus food for those in need.

2024 Impact in numbers

SOURCING

816T

Tonnes of regenerative flour bought in FY25

193T

Tonnes of organic flour bought in FY25

+2 MILLION

Loaves made with regenerative flour

ENERGY

23,183 MWH

Annual energy consumption

31%

Carbon intensity reduced since 2022

100%

Green electricity energy

11.1%

Solar Energy usage

TRANSPORT

7500

Drops a year made with electric fleet

50%

Products are moved within shared transport networks

7.5%

Of products delivered this year were transported using electric vehicles

WASTE

1782T

Overall waste

26%

Current overall reuse rate

75%

Waste food is diverted to animal feed

ZERO

Waste to land fill

664K

products sold made using surplus ingredients

PEOPLE

1600

Hours of training offered

61

Nationalities represented

73

Cycle to work scheme offered since 2013

5%

90-day retention rate improved from 62% to 67% YoY

5%

Reduced to 5% (mean & median), down from 12% (mean) and 9% (median) in 2023

COMMUNITY

3.5T

We've donated over 3.5 tonnes of surplus bread and pastries.



Baking With Purpose – A look at our sustainability foundations

Sustainability isn't an initiative—it's a responsibility. For us, it starts with how we source, how we move, and how we manage our impact. We focus on tightening our processes across four key pillars: sourcing, energy, transport, and waste.

We work with millers and farmers who share our values, placing provenance and regenerative methods at the heart of our supply chain. We continuously review our energy use, cutting inefficiencies and investing in greener systems. From how we deliver to how we manage our waste, we're continuously improving our processes to reduce impact.

This isn't about ticking boxes. It's about making sure the way we bake and the way we work reflects the kind of future we want to be part of. One that supports people, the planet, and a better food system.

Sourcing with principles

We believe in craft baking and craft baking takes a community. From the farmers we work with to the bakers who shape every loaf, it's people, not systems, that make quality food. That's why our sourcing standards are built around protecting these communities and helping them thrive.

We've partnered with 10 nature-led UK farms — including Bruern Farms in the Cotswolds — on a year-long initiative to grow wheat in a way that supports soil health, biodiversity, and flavour.

By backing regenerative practices like diverse crop rotations, minimal tilling, and using livestock to naturally enrich the soil, we help farmers grow more resilient, nutrient-rich wheat.

In return, we commit to buying what they grow. Because good farming leads to better grain, better bread, and a better food system.

ANIMAL WELFARE, NO SHORTCUTS

We never use growth hormones. Antibiotics are used only when prescribed by vets, like they would be for people. Our livestock roam. It's how food should be raised — and it's non-negotiable.

RECYCLED PAPER & PACKAGING

Our cardboard packaging boxes are made from 80% recycled material and 20% virgin fibre, all of which are FSC or PEFC certified. We source our paper from an environmentally certified supplier that supports sustainable forest management, reclaimed timber, and recycled paper practices.

SOIL-POSITIVE FARMING

We prioritise results over labels like Organic or Regenerative, which we believe are limited. Our focus is on doing the right thing—and knowing you are. That means transparent provenance, measurable outcomes, and a holistic, inclusive approach to the entire food chain.

We're backing the farmers doing things differently. In FY25, we've directly sourced:

- 816 tonnes of regenerative flour and 193 tonnes of organic flour, grown in ways that build back soil health.
- And 32 tonnes from Bruern Farm, as a pilot to help us better eat the field — using every part of the harvest, not just the obvious ones. around 12% of the bakery's overall usage.

CUTTING CARBON & DEFORESTATION

We want to leave the land better than we found it.

- Never using air freight as standard (with seasonal blueberries as the only exception we're actively working to improve).
- Working with farms to grow what's needed for the soil — not just what's profitable for us.

PEOPLE AT THE HEART OF SUPPLY

We trace our ingredients and packaging back to source. We stand for:

- The best possible labour standards.
- Stronger local sourcing: increasing our spend on British-grown ingredients and increasing our spend with small artisanal producers.
- A commitment to transparency and traceability — to make sure we know we're doing the right thing, not just saying it.

OUR RESULTS

816T (+30% YOY)

816 tonnes of regenerative wheat bought in FY25

15

New sourdoughs launched only this year are made with Wildfarmed, which is grown using regenerative farming processes

2 MILLION (+178% YOY)

Loaves made with regenerative flour sold in 2024

50%

Of the ingredients we use in The Bread Factory were made and grown in UK

100%

Sustainable cardboard from FSC forests and made with 80% recycled content

Energy: Planet first

Energy powers every part of our bakery — from mixing and baking to keeping our spaces running. But with energy use comes responsibility. It’s one of the ways we’re working to reduce our environmental impact and operate more sustainably.

We’ve been making conscious choices for years — switching to 100% green electricity in 2014 and installing solar panels at our Milton Keynes site in 2023. Today, we’re continuing to invest in smarter systems, more efficient equipment, and better habits — because meaningful change starts with what we do every day.

MAKING OUR POWER CLEANER

In 2023, we took another big step forward by installing solar panels at our Milton Keynes bakery. They now generate 200kW per hour—covering around 12% of the site’s total electricity use. It’s a meaningful shift, and we’re already planning more. Our long-term goal? Reaching net zero carbon emissions by 2040.

SMARTER SPACES

- We’ve updated our facilities with sustainability in mind:
- LED lighting throughout our bakeries cuts down on electricity use
 - Air circulation systems remove the need for energy-intensive air conditioning
 - Motion sensors ensure lights are only on when needed
 - Smart tech helps us monitor and improve energy use in real-time

OUR RESULTS

-31% (+2.62% YOY)

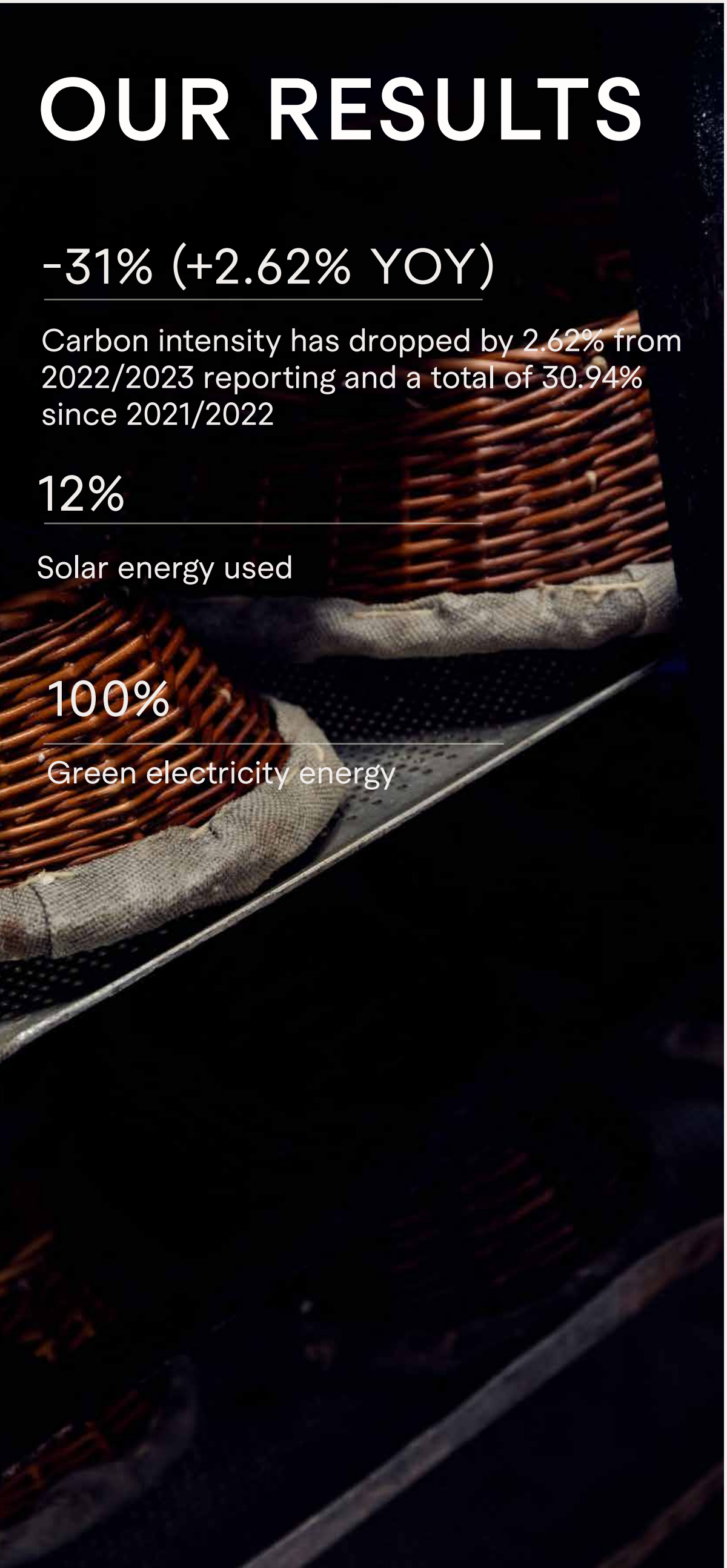
Carbon intensity has dropped by 2.62% from 2022/2023 reporting and a total of 30.94% since 2021/2022

12%

Solar energy used

100%

Green electricity energy



Transport

Transport is essential to what we do. Every loaf we bake needs to reach our customers fresh and on time — but how it gets there matters. That’s why we’re rethinking how we move: planning smarter routes, investing in cleaner vehicles, and looking for ways to cut carbon without compromising on quality or service.

We’re shaping a transport approach that puts sustainability first — reducing emissions, improving efficiency, and helping our team make greener choices every day.

LOWERING EMISSIONS, ON & OFF THE ROAD

We’re cutting emissions wherever we can—from the way we deliver to how our teams get to work.

Our growing electric fleet is making a real difference. In 2024, we made over 7,500 deliveries using electric vehicles. Smarter route planning and investment in clean transport have helped us reduce fuel use and lower our overall transport emissions.

Beyond deliveries, we’re also backing greener habits in the everyday. Since 2022, our Cycle to Work scheme has supported more of our team to commute sustainably—reducing our footprint while promoting wellbeing and healthier lifestyles.

SMARTER ROUTES, BETTER DATA

With Fleetsmart technology and Paragon route-planning software, we’ve made our delivery network more intelligent. These tools help us track real-time data—from route duration to vehicle idling—so we can constantly refine and improve. Fewer wasted miles, lower fuel use, and more efficient drops



OUR RESULTS

42KG/MILE (+320% YOY)

Units per mile has increased, making us more transport efficient

7500 DROPS (+50% YOY)

Drops a year made with electric fleet

50%

Of our products are moved within shared transport networks, reducing the overall miles on the road

50%

Deliveries made with partners to reduce number of vans on the road

37%

Reduction in direct transport energy consumption

4

Electric vans

Less waste, more purpose

In baking, waste can happen anywhere — from surplus ingredients and packaging to unsold product or energy left running. So we look at the full picture. Because cutting waste isn’t just about throwing away less — it’s about designing better systems, valuing every resource, and making smarter choices at every stage.

Reducing waste has become part of our daily discipline — from working more closely with suppliers and using smarter data to finding better homes for leftover bread. There’s still work to do, but we’re building a more thoughtful, less wasteful way of working.

WASTE REDUCTION PROGRAMMES

To control waste, we work with three waste partners across the group, Cawleys, Biffa and AC Shropshire, which divert all our general waste from landfill to generate energy (WTE).

SHARING GOOD FOOD WITH CUSTOMERS

In 2024, we sold 664,247 products made with surplus ingredients—from yesterday’s bread to cheese offcuts from our bakeries.

RECYCLING WITH PURPOSE

We recycle 100% of our cardboard and our food waste is recycled via diversion to animal feed.

SHARING GOOD FOOD WITH OUR PEOPLE

Surplus baked goods are shared with employees, allowing them access to excess bread to take home. We also share our food surplus with different charities.

OUR RESULTS

ZERO

Waste to landfill

932T (+31% YOY)

Waste food is diverted to animal feed

330T (+237% YOY)

Of our cardboard is recycled & 6t of other recyclable materials accounting for approximately 13% of our overall waste

664,247

products sold made using surplus ingredients—including leftover bread and cheese offcuts.

26%

Current overall reuse rate of our food waste

24%

Of general waste is recovered to recyclables by external provider

18%

Of total waste is recycled onsite



The heart of it all – People & Communities

Behind every loaf we make is a team of people, bakers, drivers, packers, and partners. Sustainability, to us, also means creating long-term value for them. That's why we're investing in skills, supporting wellbeing, and working to make our workplaces more inclusive, safe, and fair.

Beyond our teams, we've looked at how we can contribute meaningfully to the communities we're part of—through partnerships and educational opportunities. Whether it's hosting baking workshops, donating surplus, or supporting food initiatives, we believe in taking care of each other and the communities we're part of. These are the values we live by.

How we treat people reflects who we are. It's not just business—it's the right thing to do.

Care for our People

Building a better food system—together.

At The Bread Factory, people are at the heart of everything we do. We believe in a workplace rooted in care, inclusion, and opportunity, where everyone feels empowered to grow. From our bakers and packers to our leadership team, we are committed to creating an environment that supports wellbeing, celebrates diversity, and offers meaningful development.

We prioritise safety, fair rewards, and recognition, and we’re independently audited against the Ethical Trading Initiative Base Code to ensure we hold ourselves to the highest standards.

PERKS, POLICIES & BENEFITS

In 2024, we updated our People Policies to set clear expectations while enhancing family-friendly benefits, including a more generous compassionate leave policy. We also launched a new suite of benefits, offering salary sacrifice options for Tech, Car Service, Gym Memberships, Nursery Fees, and Electric Vehicles, alongside an updated Employee Assistance Programme that supports both physical and financial well-being.

APPRENTICESHIP & DEVELOPMENT PROGRAMMES

In 2024, we invested £117,023 in apprenticeships, supporting five programs and welcoming 10+ new team members, with three securing permanent roles within seven months. We also focused on developing our current teams, delivering 1,600+ hours of training to enhance both technical and human skills.

INCLUSION & DIVERSITY

We employ people from over 61 nations (21 more than last year), highlighting our commitment to diversity in the workplace. We aim to understand our people and help create an environment where they feel supported, respected, and celebrated. We have also introduced new PPE for employees wearing religious clothing.

SAFETY FOR OUR PEOPLE

Our goal is to create a safe, healthy and productive work environment for all. No employee should be subject to discrimination or harassment or any action that creates a hostile work environment. Care is one of our core values and our Senior Management Team are leading by example to embed it into our business practices

OUR RESULTS

£117,023

Invested in 2024 apprenticeships, with 16 participants across 5 programmes

1600+

Development-focused training hours completed by employees

61 (+35% YOY)

Nationalities represented in our business

46.2% (-10.5% YOY)

Reduced our labour turnover from 56.7% to 46.2%

5%

Gender pay gap has improved, with both the mean and median figures now at 5%. A reduction from 12% mean and 9% median in 2023

+5% YOY

Our 90-day retention rate improved from 62% to 67% YoY, reflecting a growing commitment to learning and development within our teams

Care for our Communities

SUSTAINABILITY & SOCIAL RESPONSIBILITY REPORT 2024

THE BREAD FACTORY

We're committed to giving back by supporting charities and community initiatives. Our contributions go beyond financial donations — we value the time, expertise, and resources our team shares to make a meaningful impact.

CUSTOMER COMMUNITY

Our duty of care for our customers is best demonstrated in our baking ethos. To bake without artifice majority of our products and never compromise on quality. We are constantly reviewing our recipes to enhance sustainability and nutrition through increased diversity of grains and quality ingredient sourcing.

ENGAGING WITH OUR COMMUNITIES

Our work in education and community engagement has also taken centre stage. In collaboration with the Worshipful Company of Bakers, local schools, and universities, we've been actively promoting baking as a dynamic, sustainable, and rewarding career path. These efforts have included educational visits where we spoke to students about the importance of sustainability in food, and the value of making healthier choices. We were proud to welcome more than 50 visitors into our world of craft and care.

INDUSTRY COMMUNITY

We play our part in positively improving the food system through a commitment to supporting suppliers who are championing doing the right thing, as well as sharing our food knowledge at industry events and through our communication channels.

PARTNERSHIPS WITH CHARITIES

We actively support and collaborate with several charities, including Barnet - Unitas, Grub Club, The Hyde School - Food Bank, Edgware Community Kitchen, Clifton House, Shelter from the Storm, Cook for Good, Planet Zheroes and Open House by providing weekly donations of our bakery products.

OUR RESULTS

5

School, university and college partnerships to educate and train the bakers of tomorrow

BARNET COUNCIL

Partnered with Ingeous Barnet council to foster local recruitment opportunities

3.5T

Through The Flour Station markets, we've donated over 3.5 tonnes of surplus bread and pastries this year — supporting local charities and reducing food waste with weekly contributions across London



Looking ahead. What's next?

In the years ahead, we want our business (product, packaging, process)—to reflect a better way of baking. That means leading with integrity, sourcing with care, and backing ideas that grow impact without compromise.

We're not just bakers—we're part of a food system that needs fixing. That means working with farmers who grow regeneratively, suppliers who put ethics first, and customers who believe good food should do good.

We'll keep pushing: investing in regenerative agriculture, low-impact transport, zero-waste systems, and full ingredient traceability. We'll deepen our support for innovative producers and continue designing out waste—so every product we make contributes to better nutrition and a healthier planet.

We'll also keep investing in people: building skills, sharing knowledge, and creating workplaces where care is lived, not just written down.

GOALS

SOURCING

100%

Suppliers to be part of our code of conduct / supplier programme by the end of 2025

100%

Increase usage of regenerative flour in our breads by February 2026

100%

Of our paper and cardboard from FSC approved sources

100%

Deforestation free across our ingredients and packaging

3,500T

Source organic and regenerative flour

250T

Source of heritage grains

ENERGY

2025

Roll out solar and explore wind-generated electricity

2025

Introduce usage metres to improve energy use

2040

Net Zero Carbon Emissions target

TRANSPORT

100%

Fleet running on green energy by the year 2030

WASTE

70%

Of our waste will be reduced through reusing and recycling in 2025

30T

Of waste removed by reducing secondary packaging in logistics, and replacing with recyclable crates

70%

Increase on our internal recycling rate

20%

Reduce material loss by 20% over the next 18 months

15%

Reduce oil waste

PEOPLE & COMMUNITY

£1.4 MILLION

We are investing into our pay reward in 2025

£100K

Committed to investing into Learning & Development initiatives

100%

Implementing a fully paperless recruitment process to reduce waste and improve efficiency in 2025

80%

Engagement in the annual People Net Promoter Score (NPS) survey

ELECTRIC CAR

Launch an Electric Car Salary Sacrifice Lease Scheme

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